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SUBJECT William Casey/Tomas Castillo

BOB EDWARDS: In recent weeks, the investigations into the Iran-contra affair have brought to light a mass of evidence that some administration officials set out to deliberately and systematically violate congressional restrictions on aid to the Nicaraguan rebels.

Former National Security Council staff member Oliver North seems to have been the organizer and manager of those efforts. But there have been repeated reports that the plan to skirt congressional restrictions on contra aid was conceived and launched by then CIA Director William Casey.

NPR's Jim Angle has more.

JIM ANGLE: People keep looking for who gave Ollie North his marching orders, said one congressional source. And if it wasn't the President, some think it must have been Bill Casey. In fact, a number of officials have been telling journalists that the effort to aid the contras, in violation of congressional restrictions, was a Casey initiative. One administration source told NPR that it was Casey who conceived of the operation and appointed Ollie to carry it out. This source, who asked to remain anonymous, said that key officials at the CIA also knew about North's efforts.

On Saturday, the Los Angeles Times quoted anonymous sources as saying that Casey personally supervised North's secret program to help the contras during a time when most forms of support were prohibited. The paper quoted a former associate of North's as saying that Ollie was reporting to Casey. Last week the New York Times quoted congressional sources as saying Casey's

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fingerprints were all over the operation. The article referred to Casey as the mastermind of the secret aid plan.

An intelligence official rejects these charges as great conspiracy theories. "Every guy who has a cockamamy story or wants to stab somebody in the back is going to say 'Bill Casey made me do it.' That is especially true now," he said, "because it appears that Casey will never be able to testify on the matter."

Nevertheless, administration officials speaking privately continue to point to Casey and offer at least circumstantial evidence to support their claims.

Many of the suspicions about Casey's role are tied to Ollie North's access to and reliance on CIA assistance both to run the Iran arms sales and to carry out a lengthy operation to funnel money and arms to the contras. When others asked for help from the CIA, said one source familiar with North's actions, the agency wanted it in writing from 100 angels. But Ollie seemed to be able to pick up the phone, and the ocean parted for him.

A number of officials have said that Casey and North talked often. Casey had a second office in the same building as the NSC staff and stopped by North's office on many occasions. The two men would talk at length, North's associates have said. There was also a personal dimension to the relationship. One source said that when North was fired and faced expensive legal problems, Casey even contributed to his legal defense fund. Other sources said there were many other things the two men could have discussed since North was running the counter-terrorism program as well as the contra account. Their association, said one critic of contra aid, is not necessarily evidence that Casey was running Ollie's contra aid efforts.

The most damaging evidence about CIA involvement may come from the former CIA station chief in Costa Rica. Tomas Castillo, as he's known, was recalled from his post and will be forced into early retirement for helping North deliver weapons to the contras at a time when it was illegal to do so. North sent sophisticated coding devices to Castillo and to retired General Richard Secord, who functioned as the field commander for aid to the contras. They were used to maintain a rapid communications link between North and the others to coordinate the times and the locations of air drops.

Ian Crawford was a crewmember on one of the supply planes that was dropping weapons at night about 20 minutes' flying time inside Nicaragua.

IAN CRAWFORD: You were looking for small drop zone

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markings which are either camp fires, lanterns, or something like this, in a specific pattern on the ground. So what happens is the contras would relay to us through some unknown channel what their coordinates, their map coordinates on the ground were.

ANGLE: Sometimes they could be off a mile or two, Crawford said, as they were on the night on April 10th, 1986.

CRAWFORD: We're flying and we're looking for where they are. We couldn't find them that night. The drop zone wasn't marked bright enough for us to see from the air, and we were just not in the right place.

ANGLE: So the plane returned to El Salvador where the crew told their contacts what had happened. Twenty-four hours later, the contra camp was ready.

CRAWFORD: And then on Friday night, the 11th, we flew the same mission again and found the drop zone this time. It was quite brightly lit and no problem in spotting it the second night.

ANGLE: The CIA Inspector-General found that Tomas Castillo had violated agency policy by participating in the communications network that managed these drops. But the agency has maintained that no other CIA officials were involved. One intelligence official said that Castillo did it on his own without any knowledge of authorization from any officer in the agency. Another source, however, said that Castillo, who has been granted limited immunity, will testify that everything he did was done with the knowledge of his superiors. This source says that two or three key officials at the agency gave tacit approval for Castillo's actions. They include the Director of the Central American Task Force and Clare George, the Deputy Director of Operations, and the whole thing was blessed by Casey, he said.

According to this official, the CIA's Inspector-General is considering disciplinary actions for a number of agency personnel for their involvement in the contra aid network. CIA spokesmen would not comment on the Inspector-General's investigation, which is continuing.

Another piece of evidence was made public in the Tower Board's report. It cites a memo from Colonel North to National Security Adviser John Poindexter. North proposed that when the congressional ban on aid was removed, the CIA should buy out \$4 1/2 million in assets of Project Democracy, the name for his contra funding efforts. Poindexter wrote back a message that suggested William Casey and CIA Deputy Director Robert Gates were also aware of the secret funding effort. "I did tell Gates,"

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Poindexter wrote, "that I thought the private effort should be phased out. Please talk to Casey about this. I agree with you."

A Casey-North operation could have been motivated by several reasons. One, putting North in charge would keep the CIA out of it as much as possible. That was a concern expressed by Casey and Gates in a luncheon meeting with North last October. Gates described the conversation during testimony before the Senate Intelligence Committee.

DEPUTY DIRECTOR ROBERT GATES: I asked Colonel North at the lunch if there were any CIA involvement, direct or indirect, in the private funding effort on behalf of the contras. He told us the CIA is completely clean, quote, unquote, of any contact with those organizing and funding the operation.

ANGLE: Some congressional sources have said assigning management of the operation to Oliver North was not a way to shield the agency if CIA personnel were going to be involved. Several sources said that even if Casey initiated the North effort, he might not have kept up with the details and might not have known exactly what North was doing. Some sources speculated that Casey might have been motivated most by the knowledge that North could pull it off better than anyone else. "Ollie was Casey's kind of guy," said one former associate. "Ollie knew how to get things done, how to work the system. And he was implementing policies that Casey agreed with," the official said. "Ollie was the perfect covert operations' officer."

In all the reports about Casey's involvement, there is little hard evidence, but many accusations from unnamed officials. One congressional source is suspicious of all the reports. He knows that Casey is out of the picture and could be a convenient person to absorb the blame. "If they can hang it all on Casey," this source warned, "and North says Casey told me to do it, that would be ideal from a lot of peoples' point of view."

I'm Jim Angle in Washington.